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DEPARTMENT OF
TRADE AND COMMERCE
CANADA

COMMERCIAL INTELLIGENCE SERVICE

TRADE COMMISSIONER'S OFFICE
IL DELEGATO COMMERCIALE DEL GOVERNO
DEL CANADÀ

Via Carlo Cattaneo, 2 MILANO (Italia)

11th June 1919

Sir Robert Falconer, K.C.M.G.,
President of the University of Toronto,
Toronto, Ontario, Canada.

Dear Sir Robert,

I wish to thank you for your letter of May the 21st and note what you write concerning Mr. Catalano's service. I shall communicate with him at once.

This country at present is rather upset a bit politically, financially and commercially but I am hopeful sane statesmanship will assert itself. From being the least expensive country in Europe in which to live it has become the most expensive. Various factors such as the national debt - now approximating $ 13.000.000.000, the unfavourable trade balance, in 1918 - $ 3.000.000.000, the issuing of paper currency etc., have all contributed to accentuate the problematical situation. In spite of this however there has been a very perceptible increase in industrial activity the total ~~industrial~~ capitalization for 1918 running into 2.731.107.682 lire. Perhaps however the most evident mistake Italy is making is the endeavour to build up an artificial group of industries, for as regards coal and iron Italy must depend upon outside supplies. Better it seems if she would emphasize her agricultural production and such native industries as are peculiarly Italian. In this way it seems her commercial impact on foreign countries would be more appreciably felt and her trade balance less unfortunate.

I am hoping therefore that the present rather heavy skies in Italy's political life will clear and that the rumblings died away an intensification of the country's commercial usefulness may be brought about.

My Minister the Right Honourable Sir George Foster, has just given me a special trade mission to Spain and I expect to be away from Milan for a couple of months.

Yours faithfully,

W. McL. Clarke

Canadian Government Trade Commissioner.